

# BEFORE THE BOARD OF MILK CONTROL OF THE STATE OF MONTANA

## ANNOUNCEMENT OF CLASS I, II & III PRODUCER PRICES

EFFECTIVE: February 01, 2014

PUBLISHED: January 23, 2014

CLASS I PRICE FOR MILK TESTING 3.5%	\$24.57 /CWT
CLASS I BUTTERFAT PRICE PER POUND	\$1.75 /LB
CLASS I SKIM PRICE AT 96.5 LBS	\$18.445 /96.5 lbs

The minimum price to pay milk producers, under ARM 32.24.301, is \$24.57 per hundred pounds of milk testing 3.5% butterfat, f.o.b. the milk distributor's plant.

When milk does not test 3.5% butterfat, compute the applicable price by applying a differential of 17.5 cents for each one-tenth of one percent butterfat above or below the midpoint of each producer payment.

The value of one pound of butterfat utilized will be \$1.75.

CLASS II PRICE FOR MILK TESTING 3.5%	\$22.55 /CWT
CLASS II BUTTERFAT PRICE PER POUND	\$1.96 /LB
CLASS II SKIM PRICE AT 96.5 LBS	\$15.690 /96.5 lbs

Average spray process dry milk solids		Last quote of month for Grade AA butter	\$1.85250
price per pound	\$2.10250	less a differential of \$0.0895	\$1.76300
multiplied by 8.2	\$17.24050	multiplied by 0.111	\$0.19569
Last quote of month for Grade AA butter	\$1.85250	Hundredweight price of milk testing 3.5%	\$22.55
less a differential of \$0.0895	\$1.76300	Less 3.5 pounds of butterfat	\$6.860
multiplied by 4.2	\$7.40460	Value of 96.5 pounds of skim	\$15.690
Average Spray Factor + AA Butter Factor	\$24.64510	Class II Value of One Pound of Skim	\$0.16259 /LB
Less a Make Allowance of 8.5%	\$2.09		
Class II Price for 3.5%	\$22.55027		

CLASS III PRICE PER CWT FOR MILK TESTING 3.5%	\$19.37 /CWT
CLASS III BUTTERFAT PRICE PER POUND	\$1.59 /LB
CLASS III SKIM PRICE AT 96.5 LBS	\$13.809 /96.5 lbs

Last quote of month for Grade AA butter	\$1.85250	Class III BF Price/lb x 3.5	\$5.565
less a differential of \$0.0895	\$1.76300	Class III Skim per CWT x 96.5	\$13.809
less 10%	\$1.59	Class III Per CWT	\$19.374

### CLASS III PRICE PER CWT FOR SKIM MILK UTILIZED

Avg. spray process dry milk solid price/lb =	\$2.10250
Multiplied by 8.2	\$17.24050
Less 17%	\$14.30962
Per hundredweight	\$14.31

BY ORDER OF THE MONTANA MILK CONTROL BUREAU

*Patti Thompson*

Patti Thompson, Bureau Chief  
Montana Milk Control Bureau

## PRODUCER CLASS I PRICE IN MONTANA

Month	2013	2014	Difference	% Change
January	\$21.52	\$24.03	\$2.51	11.66%
February	\$20.76	\$24.57	\$3.81	18.35%
March	\$20.35			
April	\$20.21			
May	\$20.31			
June	\$21.48			
July	\$21.46			
August	\$21.43			
September	\$21.71			
October	\$21.75			
November	\$22.75			
December	\$22.92			
<b>Average</b>	<b>\$21.39</b>	<b>\$24.30</b>	<b>\$3.16</b>	<b>15.01%</b>

## QUOTA BLEND PRICE IN MONTANA

Month	2013	2014	Difference	% Change
January	\$18.95			
February	\$18.55			
March	\$18.21			
April	\$18.22			
May	\$18.30			
June	\$18.85			
July	\$19.35			
August	\$19.21			
September	\$19.64			
October	\$19.91			
November	\$20.50			
December				
<b>Average</b>	<b>\$19.06</b>			

